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Before the

FEDERAL COMMUNICATIONS COMMISSION MAY 1 6 1997

Washington, D.C. 20554

In the Matter of)	Conce of Soc. 229	ission
Amendment of the Commission's Rules Regarding Multiple Address Systems)	WT Docket No. 97-81	
Regarding Multiple Address Systems)		

To: The Commission

REPLY COMMENTS OF GTECH CORPORATION

GTECH Corporation ("GTECH"), by its counsel, submits these reply comments in response to the Notice of Proposed Rule Making in the above captioned proceeding.¹

The comments received in this proceeding demonstrate overwhelming support for the Commission's proposal to allocate the 928/952/956 MHz bands exclusively for the internal communication needs of private users. Furthermore, commenters are nearly unanimous in their support for the Commission's proposal to continue site-by-site licensing in the 928/952/956 MHz bands. Finally, several commenters agree that the use of the MAS bands for mobile operations will have disastrous consequences for existing and future MAS usage. The Commission should heed these voices and assure the continued availability of MAS spectrum for private, internal, non-mobile use licensed on a site-specific basis.

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¹ Amendment of the Commission's Rules Regarding Multiple Address Systems, WT Docket No. 97-81, Notice of Proposed Rule Making, FCC 97-58 (released February 27, 1997) ("Notice").

I. THE MAJORITY OF COMMENTERS IN THIS PROCEEDING SUPPORT THE CONTINUED AVAILABILITY OF SPECTRUM FOR PRIVATE, INTERNAL USE

The continued availability of MAS frequencies for exclusive, private use is critical to the internal communications needs of GTECH in its business of providing efficient, secure and effective communications links for state lottery systems. The comments filed in this proceeding indicate that many other public and private users also rely heavily on this vital communications link for their critical business operations, including the electric and gas industries, water utilities, sanitation companies, railroads, manufacturers, and others.² The strong support voiced by these users and others³ for a purely private spectrum allocation in the 928/952/956 MHz bands confirms the Commission's conclusion that the principle use of the bands is for private internal purposes and that the best future use of the bands is to help satisfy the internal communications requirements of private users.

In contrast, only three commenters object to allocation of the 928/952/956 MHz bands exclusively for private use. One of these commenters -- Radscan, Inc. -- bases its objections, in part, on the supposed fallacy of the Commission's finding that the principle use of the bands is

² See, e.g., Comments of Sensus Technologies at 3-4; Comments of Microwave Data Systems at 7-8; Comments of Affiliated American Railroads at 2-3; Comments of UTC at 16-18; Comments of the American Petroleum Institute at 5-9; Comments of the Cooperative Power Association at 3-4; Comments of GPM Gas Corporation at 5; Comments of the Washington Suburban Sanitary Commission; Comments of American Waterworks at 8-11; Comments of Southern California Edison at 2-3; Comments of Delmarva Power at 2-4; Comments of the Public Service Company of New Mexico at 1-2; Comments of Puget Sound Energy at 3.

³ See, e.g., Comments of Black & Assoc. at 5; Comments of Comsearch at 2.

for private internal purposes.⁴ The comments received in this proceeding clearly belie Radscan's assertion and confirm that the principle use of and greatest demand for the bands are, indeed, for private internal use. Radscan also contends that the Commission's proposal would harm the subscriber-based licensees already in these bands. However, given the small amount of spectrum comprising these bands, and the existing, overwhelmingly private use of this spectrum, a private use set aside will not unduly limit the amount of spectrum available for subscriber-based service providers overall. Moreover, an exclusive allocation for private use in the 928/952/956 MHz bands will allow private users to obtain spectrum without having to compete with subscriber-based carriers whose spectrum requirements are somewhat different.

CellNet Data Systems, Inc. also bases its opposition to an exclusive private use allocation in the 928/952/956 MHz bands on misapprehensions. CellNet contends that exclusive private use would be detrimental to efficient spectrum utilization because it would preclude the use of excess capacity on an MAS system for private carrier operations. However, if the Commission adopts a finder's preference program in the bands and allows geographic partitioning and spectrum disaggregation, as suggested by CellNet itself, the marketplace will ensure efficient spectrum utilization. In addition, both CellNet and Itron will have subscriber-based capacity available in other MAS bands for the implementation of subscriber-based operations. Thus, the

⁴ Comments of Radscan, Inc. at 6-8.

⁵ Comments of CellNet Data Systems, Inc. at 7-8.

⁶ Id.at 19-21, 29-30; see also Comments of GTECH at 8-9; Comments of Black & Assoc. at 5; Comments of Comsearch at 6-7.

⁷ Comments of Itron at 2-3.

Commission should adopt its proposal to designate the 928/952/956 MHz bands as a "set aside" to meet the internal communications needs of private users.

II. THE COMMENTS DEMONSTRATE NEARLY UNANIMOUS SUPPORT FOR CONTINUED SITE-BY-SITE LICENSING IN THE 928/952/956 MHz BANDS

In addition to supporting designation of the 928/952/956 MHz bands for private, internal use, commenters overwhelmingly support the continuation of a site-by-site licensing system in the 928/952/956 and 928/959 MHz bands.⁸ The comments filed with the Commission demonstrate that most users in the bands require communications capacity in a relatively small site-specific area, inappropriate for wide-area, geographic licensing. In addition, the comments underscore the fact that the 928/952/956 MHz bands are already highly congested, severely limiting the number of areas available for geographic licensing with adequate interference protection for incumbents. Therefore, site-by-site licensing presents the most spectrum efficient and effective allocation system for these bands.

Radscan is the sole voice opposing site-by-site licensing in the 928/952/956 MHz bands.⁹
Under its geographic-area licensing proposal, incumbent private licensees within a converted

⁸ E.g., Comments of the Washington Suburban Sanitary Commission; Comments of UTC at 27-28; Comments of the American Petroleum Institute at 30-33; Comments of the Affiliated American Railroads at 3-4; Comments of CellNet at 21-23; Comments of American Waterworks at 11-12; Comments of Black & Associates at 6-7; Comments of Southern California Edison at 3-6; Comments of Delmarva at 4-6; Comments of Puget Sound Energy at 3; Comments of the Public Service Company of New Mexico at 2; Comments of PRONET at 6-8; Comments of Comsearch at 4,6-7; Comments of GPM Gas at 9; Comments of Sensus Technologies at 5; Comments of Itron at 3-4; Comments of Cooperative Power at 4-5; Comments of Microwave Data Systems at 8-10.

⁹ Comments of Radscan, Inc. at 18-21.

Economic Area would be grandfathered or relocated to other MAS channels.¹⁰ Given the heavy congestion and high number of private users already prevalent in the bands, both grandfathering and relocation present unworkable and unnecessarily inefficient options.¹¹ The Commission should continue site-by-site licensing in the 928/952/956 and 928/959 MHz bands and implement geographic licensing in other less congested and less populated MAS spectrum, such as the 932/941 MHz band.

III. MOBILE SERVICES SHOULD NOT BE PERMITTED IN ANY MAS BANDS

Subscriber-based mobile operations in the MAS bands will unavoidably and unnecessarily impair fixed operations in the bands and should not be permitted. As Black & Associates points out, many MAS licensees (including GTECH) have chosen to operate in the bands because they require highly redundant, secure data communications.¹² Ensuring the continued security of transmissions in the MAS bands would be virtually impossible in the face of interference from co-channel mobile operations.¹³

¹⁰ *Id.* at 20.

¹¹ As noted in its comments, GTECH opposes geographic licensing in the 928/952/956 MHz bands. However, should the Commission nevertheless adopt geographic licensing in these bands, it is imperative that incumbent licensees be permitted to continue operating under their current authorizations and that any new geographic area licensees be required to protect incumbent operations.

¹² Comments of Black & Assoc. at 2; see also Comments of GPM Gas at 8 (noting the "high performance levels required of MAS's that perform critical safety and environmental functions").

¹³ See Comments of GTECH at 7-8.

Moreover, the demand for fixed services in the MAS bands already exceeds capacity.¹⁴ The Commission has recently allocated a significant amount of spectrum for mobile services in a wide variety of bandwidths.¹⁵ Given the urgent need for additional fixed service spectrum in the MAS bands, a proposed allocation of additional spectrum in these bands for mobile operations is not justified.

IV. CONCLUSION

The continued availability of MAS spectrum for secure, private, internal communications is essential for the existing and future needs of private users such as GTECH. Accordingly, the Commission should act expeditiously to allocate the 928/952/956 MHz bands for exclusive, non-mobile private use and reaffirm site-by-site licensing procedures in the bands.

Respectfully submitted,

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¹⁴ See Comments of Black & Assoc. at 2.

¹⁵ E.g., Comments of GPM Gas at 8.

CERTIFICATE OF SERVICE

I, Katherine S. Poole, an attorney with the law firm of Kelly & Povich, P.C., certify that copies of the foregoing Reply Comments of GTECH Corporation were sent via first class mail, postage paid, to the following on May 16, 1997:

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